Department of Commerce

MFTE Guidance and Study: Advisory Committee

MEETING 1: INTRODUCTION

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SENIOR PLANNER

FEBRUARY 15, 2022

Welcome and Introductions

Meeting Agenda

Time	Content
3:00–3:15	**Welcome and Introductions**
3:15–3:35	**Presentation: Project Workplan and Engagement Strategy** (project overview, protocols, deliverables, interviews)
3:35–4:00	**Discussion**
4:00–4:15	**Break**
4:15–4:30	**Presentation: MFTE Workbook Outline** (document structure, development, topics for best practices, data needs)
4:30–4:50	**Discussion: Outline and City data** (availability of data, approaches to transferred data, other sources)
4:50–5:00	**Action Items and Next Steps**
5:00	**Adjourn**

Introductions

- Participants:
  - Advisory Committee (order in the participant list)
  - Commerce staff
  - Consulting team (BERK)

Project Workplan and Engagement Strategy

Project Overview

- The overall goals of the project are to:
  - measure and understand impacts of the MFTE program on housing production
  - provide guidance on program design and implementation
  - make recommendations to increase the public benefit of the program
- Project period:
  - January 3, 2022–June 30, 2023
  - **Interim milestone:** June 30, 2022

Team and Advisory Committee Protocols

- Overall protocols for the project:
    - Point of contact (Mary Reinhold, COM)
    - Email protocol
    - Accessible documents policy
    - "Plain talk" standards
    - File sharing

Team and Advisory Committee Protocols

- Advisory Committee protocols:
  - Standing meetings: third Tuesday of the month through 2022
  - All agendas and meeting materials provided 1–2 weeks in advance
  - Agendas will include:
    - Meeting details and administrative information.
    - A summary of the planned meeting content.
    - Feedback and action items for the committee during and after the meeting.
    - Suggested questions to guide your preparation for the meeting.
    - A high-level schedule for the meeting, including major topic areas

Team and Advisory Committee Protocols

- Advisory Committee meetings:
  - There are many people in this room!
  - We are open to having everyone provide feedback and input:
    - Talking during the meeting
    - Entering questions into the chat
    - Email after the meeting (to Mary)
  - Automatic meeting transcripts

Team and Advisory Committee Protocols

- Advisory Committee meetings (continued):
  - Timeliness of meetings
  - Focus on the big picture
  - Continuity
  - Respect
  - Specific, actionable requests
  - Representing the views of the Committee
  - Respect decisions reached by Commerce

Project Deliverables

- Deliverables included in the scope:
  - **MFTE Administration Workbook** which highlights best practices and provides sample forms, worksheets, and tools for consistent statewide implementation.
  - A **legislative report** that reviews current practices with MFTE programs and provides recommendations for change. (Includes six case studies.)
  - **Individual reports** to Commerce detailing potential improvements to **reporting** and **auditing**.
  - **Two webinars** intended to brief stakeholders the findings and recommendations from these materials.

Project Schedule

Date	Deliverable
January 28, 2022	**Project Workplan and Engagement Plan**
May 31	Draft MFTE Workbook
June 17	**Final MFTE Workbook**
September 30	Training Webinar 1 Draft Report: Auditing
November 30	Draft Legislative Report
December 31	Draft Report: Reporting Program
March 31, 2023	**Final Legislative Report**
April 30	**Final Report: Reporting Program**
June 17	Training Webinar 2
June 30	**Final Report: Auditing**

Advisory Committee Schedule

Date	Deliverable
February 15, 2022	Meeting 1: Introduction.
March 15	Meeting 2: Initial results from city interviews.
April 19	Meeting 3: Additional interview results and pro forma model.
May 17	Meeting 4: Draft MFTE Workbook presentation.
May 28	Meeting 5: MFTE Workbook discussion 1.
June 17	Meeting 6: MFTE Workbook discussion 2.
September 20	Meeting 7: Case Studies.
October 18	Meeting 8: Additional reports.
November 15	Meeting 9: Draft Legislative Report presentation.

Engagement

Engagement activities for this project are expected to involve the following:

- Coordination with an **Advisory Committee** for advice and feedback.
- A set of **surveys and interviews** to solicit insights on MFTE best practices, the current state of implementation with cities, and potential areas for change.
- More detailed discussions with representatives from six cities to be used as **case studies** for the legislative report.
- Communication of the project results with **two training webinars**.
- Additional communication through **conference and workshop presentations** to relevant organizations.

Interviews

- A series of interviews will be coordinated with the following general groups:
    - Local governments (cities and counties)
    - Affordable housing organizations
    - Multifamily / mixed-use developers
    - Multifamily / mixed-use property owners
    - MFTE unit tenants / single-unit owners
    - County tax assessors
    - Other organizations as required

Interviews

- These interviews will be coordinated in three phases:
  - For the **first phase** (early/mid February), initial interviews will be coordinated with cities represented on the Advisory Committee, in part to provide feedback on the survey instrument.
  - In the **second phase**, interviewees will be identified from a high-level survey submitted by Commerce. A stratified sample of respondents will be used to ensure a reasonable cross-section of results.
  - The **third phase** (late March) will include non-city participants, such as housing agencies/developers, tenants, county assessors, and other organizations as required.

Interviews

General protocols:

- No more than 45 minutes long.
- Scripts for the interviews reviewed with Commerce.
- All meetings will be via Teams/Zoom, with transcription.
- Transcripts made available after the interview.
- Other interviews by non-city participants may be coordinated as small group discussions, especially if it is likely that similar responses will be presented (e.g., tax assessors).
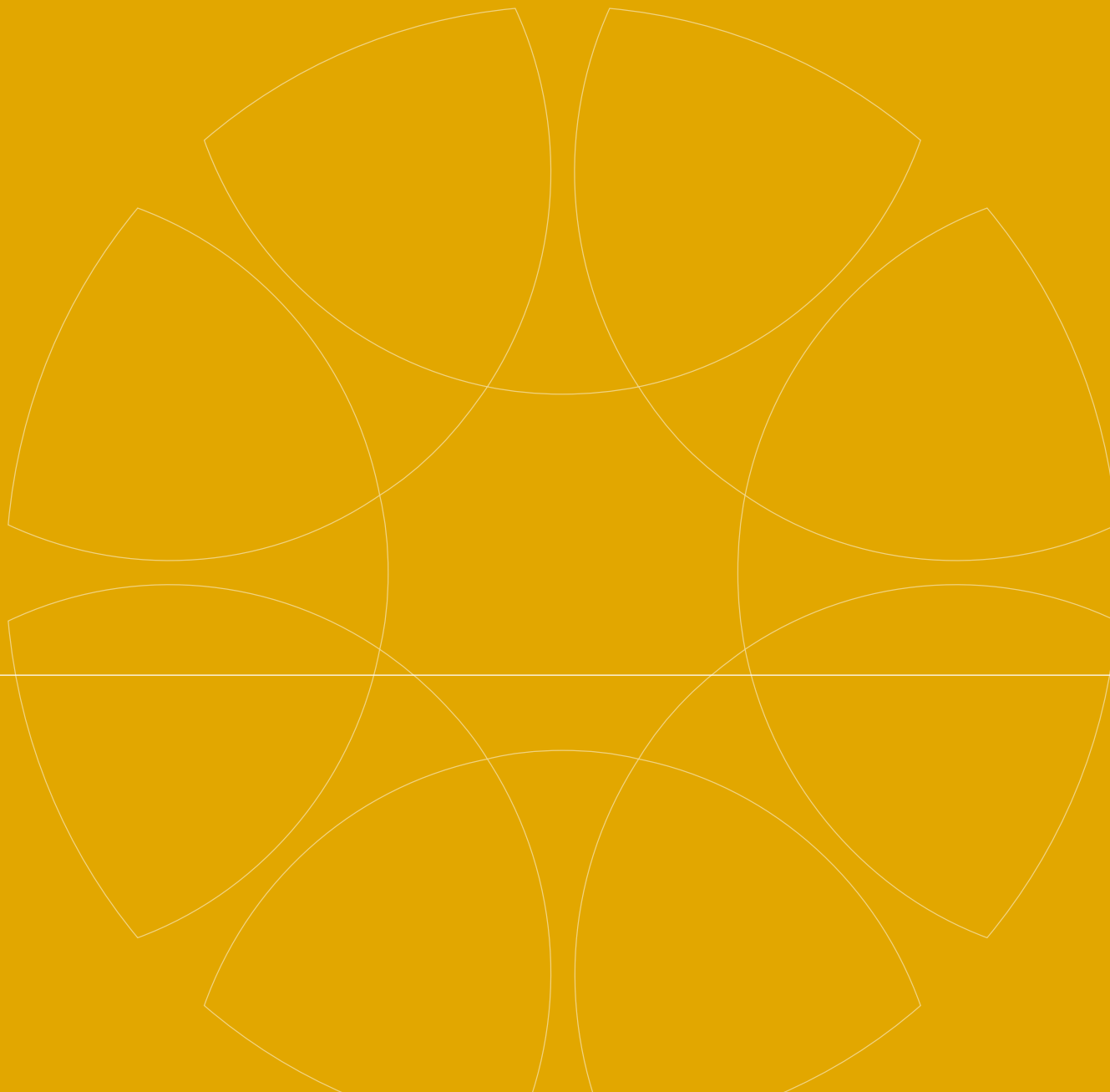
Discussion

Guiding Questions:

- Are there any concerns about the schedule and timelines for the project?

- Is this a good level of coordination with the Advisory Committee?

- Are there any important considerations to keep in mind for Advisory Committee meetings going forward?

- What help can we get with coordinating interviews in the second and third stages?

BREAK

MFTE Workbook Outline

Overview

The MFTE Workbook is intended to be a resource for municipal administrators when coordinating these programs:

- Understanding the overall need for an MFTE program
- Outlining the information and analysis needed for program development and revisions
- Determining the parameters for the program
- Implementing the program (code updates and processes)
- Coordinating ongoing monitoring and future review/revision

Considerations

- **The MFTE Workbook should be:**
  - Easy to use
  - Written in plain language
  - Accessible to all
  - Developed with a clear structure (life cycle of the MFTE/program)
  - Able to be used for different applications (e.g., creating a new program, updating an existing program)
  - Applicable to different types of jurisdictions
  - Usable as a resource for administrators to engage with other stakeholders (e.g., Council, developers, etc.)

Document Outline

- Executive Summary

- Front matter

- 1: Introduction
  - What is MFTE?
  - What is the purpose of this document?
  - What is the intended audience
  - How is this document structured?

Document Outline

- **2: Overview of the Program**
  - What is the basis for the MFTE?
  - Who is eligible?
  - What are the required parameters, and what options do jurisdictions have with the program?
  - What reporting and auditing processes are necessary?
  - Are there areas of good practice beyond the statutory requirements?

Document Outline

- **3: Developing a Program**
  - What are the policy expectations and goals?
  - What are the opinions of major stakeholders and the public at large?
  - What are current market conditions relevant to the MFTE?
  - What would be the fiscal impacts to the jurisdiction?
  - What program parameters can be selected?
    (targeted areas, affordability AMI/set aside requirements, other parameters)
  - Which should be selected to meet policy goals?
  - What other processes are necessary for the jurisdiction to develop?

Document Outline

- **4: Writing the Code**
  - How do you translate the intended policy into code language for the jurisdiction?

- **5: Administering the Program**
  - How do you review and approve applications for the program?
  - What are situations where an exemption would be denied?
  - How should contract provisions be managed?
  - How do you manage recertification to confirm affordability?
  - How do you coordinate closing or renewing exemptions?

Document Outline

- 6: Monitoring the Program
  - What are the necessary processes for reporting to Commerce?
  - What are other best practices for regular auditing and review?

- 7: Reviewing and Updating the Program
  - How do you determine if an MFTE program has been effective?
  - How do you determine what changes are necessary? What steps from the initial evaluation are applicable?
  - What steps can be used to implement changes in the program?

Appendices

- Acronyms

- Engagement results ("What We Heard")

- Model code / resolutions

- Sample forms and documents

- Any other supporting information (e.g., one-page informational handouts, etc.)

Data Needs

We intend to obtain information on best practices from different sources:

- Interviews (as previously discussed)
- Existing reports
- Comparative review of programs/code
- Review of processes and supporting materials (e.g., forms, reporting formats, etc.)
- Modeling of fiscal assessment / development feasibility

Data Needs

- **We need your help with compiling additional information:**
  - City-level reports on MFTE programs
  - Application forms
  - Forms and documentation used internally for program support
  - Additional sources of data

- **What sources do you have available? What can you share?**

Action Items and Next Steps

Action Items and Next Steps

Project Team:

- Coordinate the first round of interviews
- Review results from first round and coordinate the second round
- Continue a review of available data sources

Advisory Committee

- Provide any other available information on MFTE programs
- Support first and second rounds of interviews
- Prepare for March 15th meeting

Action Items and Next Steps

Next meeting: March 15

- Next agenda/package of materials sent no later than **March 8th**
- Initial results from interviews
- Major findings of interest will be presented and discussed
- Additional research will be reviewed for inclusion into the document

Final Questions?